

Senator Sandra Williams
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Senate Bill 84
Sponsor Testimony
Agriculture and Natural Resources Committee
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Chairman Schaffer, Vice Chair Huffman, Ranking Member Fedor and members of the Agriculture and Natural Resources Committee, thank you for the opportunity to offer sponsor testimony on Senate Bill 84.

This legislation seeks to refund the Clean Ohio Revitalization Fund for brownfield cleanup. It will be funded by directing excess liquor profits received by the state from JobsOhio and authorizes those deferred payments to be pledged for Clean Ohio bonds.

A brownfield is a property in which redevelopment or reuse is complicated by the presence or potential presence of a hazardous substance. According to the Greater Ohio Policy Center, Ohio has over 9,000 former industrial and commercial sites that are currently unusable—but with additional resources could be repurposed. Cleaning up and reinvesting in brownfield properties increases local tax bases, aides in job growth, and both improves and protects the environment.

Beginning in 2002 through the final round of funding in 2013, the Clean Ohio Revitalization Fund provided \$400 million in grant assistance to communities across the state for environmental testing and to redevelop brownfield sites. The original Clean Ohio Revitalization Fund was funded with revenue generated from the sale of state bonds, backed by revenues generated from the sale of liquor and other spirits in Ohio. When the state's liquor agency was transferred to JobsOhio, the funding for the brownfield programing was also transferred.

This programming redeveloped more than 380 former commercial and industrial properties creating more than 3,800 acres of clean development ready land. \$500 million in household and business earnings were generated annually by remediated sites. Through the grant funding, local communities were given the flexibility to define the best possible reuse of these sites.

Currently, JobsOhio makes an annual payment to the state General Revenue Fund, if excess liquor profits exceed an annual threshold. These deferred payments began in FY 2015, rising from \$14.0 million in FY 2015 to \$71.2 million in FY 2020. A total of \$241 million has been received by the state from JobsOhio over this period from excess liquor profits. Pursuant to this legislation, any amount received by the state after July 1, 2022, from JobsOhio, representing any part of the gross profit on the sale of liquors would be credited to the Clean Ohio Revitalization Fund. Considering, the Clean Ohio Revitalization Fund was originally backed by state liquor profits, we believe this is an appropriate funding stream to refund this valuable resource to our communities.

While both the state and federal government have resources available for brownfield sites, most are very cumbersome and have stringent criteria. Others, such as JobsOhio, are structured in the form of a loan to businesses that meet certain job-creation metrics. Other options, such as the Environment Protection Agency grant fund assistance, are limited—making access restrictive for smaller communities. SB 84 bridges the gaps between large scale projects, job-specific programing and weak-market, smaller communities.

Reinvesting in the Clean Ohio Revitalization Fund would provide flexible and sustainable resources for all communities. By redirecting the excess liquor profits to the Clean Ohio Revitalization Fund, we will be providing a dedicated funding stream to ensure that the state is invested in redeveloping brownfields for potential business investment, healthy communities, and an overall better quality of life for our citizens.

Chairman Schaffer and members of the committee, this concludes my testimony, and with that, we ask for favorable consideration of Senate Bill 84. We are happy to answer any questions.